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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

MARTIN ARANZABE, Derivatively
on Behalf of LIVE VENTURES
INCORPORATED

Plaintiff,

v.

JON ISAAC, TONY ISAAC,
RICHARD D. BUTLER, JR., DENNIS
(DE) GAO, and TYLER
SICKMEYER,

Defendants,

and,

LIVE VENTURES INCORPORATED,

Nominal Defendant

Case No.: Case 2:17-cv-01632-KJD-
VCF

STIPULATION TO STAY CASE PENDING
RESOLUTION OF SECURITIES LITIGATION

Plaintiff Martin Aranzabe (“Plaintiff”), nominal defendant Live Ventures Incorporated (“Nominal Defendant” or “Live Ventures”), and defendants Jon Isaac, Tony Isaac, Richard D. Butler, Jr., Dennis Gao, and Tyler Sickmeyer (“Defendants”)

1 (collectively, the “Parties”) jointly submit this Stipulation to temporarily Stay the
2 Derivative Action (“Stipulation”), and in support thereof state as follows:

3 **WHEREAS**, Plaintiff filed the above-captioned derivative action against
4 Defendants seeking to remedy their alleged breach of fiduciary duties and unjust
5 enrichment (the “Derivative Litigation”);

6 **WHEREAS**, pending in the United States District Court for the District of
7 Nevada (the “Federal Court”) is a putative securities class action captioned *Keith Kolish*
8 *v. Live Ventures Incorporated, et. al.*, Case No.: Case 2:17-cv-01258 (the “Securities
9 Litigation”);

10 **WHEREAS**, there is substantial overlap between the facts and circumstances
11 alleged in the Derivative Litigation and the Securities Litigation;

12 **WHEREAS**, Nominal Defendant Live Ventures is also named as a defendant in
13 the Securities Litigation (the “Federal Securities Class Action Defendants”);

14 **WHEREAS**, the Federal Securities Class Action Defendants anticipate filing a
15 motion to dismiss the Complaint (or an amended complaint) for failure to state a claim;

16 **WHEREAS**, pursuant to the Private Securities Litigation Reform Act
17 (“PSLRA”), 15 U.S.C. § 78u–4(b)(3)(B), “all discovery and other proceedings shall be
18 stayed during the pendency of any motion to dismiss” and, as result, until the Federal
19 Court decides the anticipated motion(s) to dismiss by the Federal Securities Class
20 Action Defendants, the Securities Litigation will be stayed;

21 **WHEREAS**, in order ensure economy of time and effort for the Court, for
22 counsel, and for litigants, Plaintiff, Nominal Defendant, and Defendants have agreed
23 that, subject to Court approval, the Derivative Litigation should be voluntarily stayed
24 on the terms set forth below.

25 **NOW THEREFORE**, it is hereby stipulated by and between the undersigned
26 that:

1 1. Counsel for Defendants shall accept service on behalf of Live Ventures,
2 Incorporated, Jon Issac, Tony Isaac, Richard D. Butler, Jr., Dennis Gao, and Tyler
3 Sickmeyer without waiving any defenses, other than sufficiency of service.

4 2. Gainey McKenna & Egleston shall serve as Interim Lead Counsel for
5 Plaintiff in the Derivative Litigation.

6 3. Unless otherwise ordered by the Court, the terms of this Stipulation shall
7 apply to shareholder derivative actions later instituted in, or transferred to, this Court
8 that involve similar or related claims, or that are otherwise deemed related to this
9 Derivative Action. When a shareholder derivative action that properly belongs as part
10 of this Derivative Action is hereinafter filed in this Court or transferred to this Court,
11 Interim Lead Counsel for Plaintiff shall serve and file an endorsed copy of this Order
12 upon attorneys for plaintiff in the newly-filed or transferred action. Interim Lead
13 Counsel for Plaintiff shall also advise the attorneys for any plaintiff in any such newly-
14 filed or transferred shareholder derivative action that those attorneys must serve a copy
15 of this Order on any new defendant(s) and file proof of service of this pre-trial Order
16 with the Court. Any objections to consolidation or application of the other terms of this
17 Order to the newly filed shareholder derivative case shall be filed with the Court
18 promptly, with a copy served on Interim Lead Counsel for Plaintiff and counsel for
19 Defendants. Unless otherwise ordered by the Court, the terms of all orders, rulings,
20 and decisions shall apply to all later related shareholder derivative actions instituted
21 herein.

22 4. During the pendency of this stay, Defendants shall give Plaintiff
23 reasonable notice of any mediation with the plaintiffs in the Securities Litigation or the
24 mediation of any similar or related derivative lawsuit or any other similar or related
25 shareholder demand proceeding or similar or related shareholder books and records
26 demand proceeding.

27 5. Notwithstanding the voluntary stay of this Derivative Action, Plaintiff
28 may file an amended complaint. Such filing shall not constitute a Triggering Event, as

1 set forth in Paragraph 8, below, and Defendants shall not be required to move, answer,
2 plead or otherwise respond to the Complaint (or any amended complaint) during the
3 pendency of the stay of proceedings.

4 6. The Derivative Litigation shall be stayed, and no Case Management Order
5 issued, upon the Court's so-ordering this Stipulation as an Order of the Court.

6 7. In the event that Defendants agree to produce, or any of them are ordered
7 to produce by a court of competent jurisdiction, any documents pursuant to a
8 shareholder books and records demand proceeding to any holder or beneficial owner
9 of Live Venture stock, or in the Securities Litigation or in any shareholder derivative
10 litigation in this Court or elsewhere, copies of all such documents shall be provided to
11 Interim Lead Counsel for Plaintiff within ten (10) days, subject to the execution by
12 Plaintiff of an appropriate confidentiality agreement and/or protective order governing
13 the use and disclosure of these materials and proof that Plaintiff is a current holder of
14 Live Ventures stock. Such production shall not constitute a Triggering Event, as set
15 forth in Paragraph 8, below;

16 8. The stay of the Derivative Litigation shall be lifted upon occurrence of
17 any of the following Triggering Events: (1) the dismissal of the Securities Litigation,
18 with prejudice, by the Federal Court, and exhaustion of all appeals related thereto; or
19 (2) the denial of any motion to dismiss the Securities Litigation filed by the Federal
20 Securities Class Action Defendants; or (3) either of the Parties to this Stipulation has
21 given a fifteen (15) day notice that they no longer consent to the voluntary stay of the
22 Derivative Litigation. The Parties shall notify the Court within fifteen (15) days after
23 the occurrence of any of the events above.

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9. By entering into this Stipulation, the Parties do not waive any rights not specifically addressed herein.

Dated: August 23, 2017

MATTHEW L. SHARP, LTD.

PETERSON BAKER, PLLC

By: /s/ Matthew L. Sharp

By: /s/ Tamara Beatty Peterson

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Counsel for Plaintiff

Counsel for Nominal Defendant and Defendants

ORDER

IT IS SO ORDERED this _____ day of August 2017.

UNITED STATES DISTRICT JUDGE